

Remarks begin on page 8 of this paper.

AMENDMENTS TO THE DRAWINGS

The attached sheet of drawings includes changes to Figure 3. This sheet replaces the original sheet which includes Figure 3. In Figure 3, previously omitted element 59 has been added.

Attachment: Replacement Sheet
Annotated Sheet Showing Changes

REMARKS

The Applicant and the undersigned thank Examiner Aurora for her careful review of this application, and respectfully request reconsideration in view of the above amendments to the claims and the following remarks.

In the specification, paragraph [0019] has been amended to reference Figure 3 and to identify the wiper rubber as element 59 of the figure. This amendment adds no new matter.

By the present communication, claims 1, 19, 20 and 21 have been amended to define Applicant's invention with greater particularity. Specifically, claim 1 has been amended to provide proper antecedent basis for the exterior of the pipe segments. Claim 19 has been amended to depend from claim 16, and claim 22 has been amended to depend from claim 21. Claim 20 has been amended to specify that the wiper rubber is positioned around the exterior of the pipe segments adjacent to the wellhead. No new matter is added by the present amendments as each is supported by the specification and claims as originally filed.

In view of the claim amendments submitted herewith, claims 1-8 and 10-17 and 19-24 are pending in the present application. Claims 1-8 and 10-15 have been allowed and claims 16-17 and 19-24 have been rejected. A detailed listing of all claims that are, or were, in the application is presented herewith, beginning on page 2, along with the appropriate status identifier.

Drawings

The drawings have been objected to under 37 CFR 1.83(a) as allegedly not showing every feature of the invention specified in the claims. Applicant respectfully submits corrected drawings in compliance with 37 CFR 1.121(d) wherein Figure 3 has been amended to show the presence of the wiper rubber, as required by claim 1. Wiper rubbers are known in the art and described in the specification at paragraph [0019]. No new matter has been added by the present amendment to the drawings.

Claims Objections

Claim 1 has been objected to as allegedly lacking antecedent basis for the phrase "the exterior of the pipe segments." Applicant respectfully submits that the objection has been

rendered moot by the amendment of claim 1. Withdrawal of the objection is respectfully requested.

Claim Rejections Under 35 U.S.C. § 103(a)

a) Relevant Law

To establish a *prima facie* case of obviousness, three criteria must be met; (1) there must be some motivation or suggestion, either in the cited publications or in knowledge available to one skilled in the art, to modify or combine the cited publications; (2) there must be a reasonable expectation of success in combining the publications to achieve the claimed invention; and (3) the publications must disclose or suggest all of the claim limitations. *In re Vaeck*, 20 USPQ2d 1438 (Fed. Cir. 1991); MPEP §2142. In analyzing obviousness, the Court of Appeals for the Federal Circuit has repeatedly cautioned that:

[t]he factual inquiry... must be based upon objective evidence of record. ... [T]he best defense against the subtle but powerful attraction of a hindsight-based obviousness analysis is rigorous application of the requirement for a showing of the teaching or motivation to combine prior art references... [P]articular findings must be made as to the reason the skilled artisan, with no knowledge of the claimed invention, would have selected these components for combination in the manner claimed.

In re Sang Lee, 277 F.3d 1338, 1343 (Fed. Cir. 2002)(internal citations omitted).

b) Rejection of Claim 16

By way of background, the invention, as presently claimed in claim 16, provides a method for determining the number of pipe segments that have been run into a well. The method employs a magnetic induction device mounted at the wellhead that is capable of measuring changes in magnetic flux when a tubing collar or joint passes by the magnetic induction device, thereby allowing an accurate inventory of the number of lengths of pipe segments that have been run into the well to be automatically maintained.

The rejection of independent claim 16 under 35 U.S.C. § 103(a) as allegedly being unpatentable over Great Britain Patent Specification Publication No. 1,602,065 to Bailey (“*Bailey*”) in view of U.S. Patent No. 5,671,155 to Edens, et al. (“*Edens*”) and further in view of

U.S. Patent No. 5,720,345 Price et al. ("*Price*") is respectfully traversed. Specifically, the combined references do not teach or suggest every element of the claim.

Claim 16 distinguishes over the combination of references by requiring a single magnetic field measuring device to measure changes to a magnetic field as a pipe joint is passed through the magnetic field. In contrast, the primary reference Bailey requires a plurality of sensors, each of which measures change in a magnetic field as the pipe is passed through the magnetic field. See Bailey, p. 3, lines 27-48. Bailey also includes an example which employs three sensors. Specifically, Bailey teaches that in order to "count" pipe segments as they pass through the magnetic field, each individual sensor of the Bailey device must trip, and each attached solenoid valve must fire. Thus, because Bailey does not teach a method wherein a single magnetic field measuring device is employed, it is respectfully submitted that the cited references do not teach each element of the presently claimed invention.

Furthermore, assuming *arguendo* that all of the elements of claim 16 are taught by the cited references, Applicant respectfully submits that the Office Action provides no suggestion or motivation to combine the cited references. The Office Action admits that Bailey does not teach a processing module to filter the signal, nor does it teach feeding the pipe segment count into a computer system. (See Office Action, pp. 3-4). For these features, the Office Action turns to Edens and Price, respectively. However, in making the rejection, the Office Action merely states that it would have been obvious to one of skill in the art to modify the Bailey device with the teachings of Edens and Price to achieve Applicant's invention. A close reading of Bailey provides no suggestion or motivation that the modifications of either Edens or Price are needed or desired. The mere fact that references can be combined or modified does not render the resultant combination obvious unless the prior art also suggests the desirability of the combination. See *In re Mills*, 916 F.2d 680 (Fed. Cir. 1990).

Thus, because the cited references do not teach every element of the claimed invention, and because the Office Action provides no suggestion or motivation to combine the cited references, a *prima facie* case of obviousness has not been established. Reconsideration and withdrawal of the rejection is respectfully requested.

c) Rejection of Claims 20

The rejection of claims 20 as allegedly being unpatentable over *Bailey* (GB 1602065) in view of *Edens et al.* (5,671,155) and *Price et al.* (5,720,345) as applied to claim 16 above, and further in view of U. S. Patent No. 6,802,373 Dillenbeck et al. ("*Dillenbeck*") is respectfully traversed.

Applicant submits that claim 16, from which claim 20 depends, is allowable for the reasons noted above. However, with respect to claim 20, Applicant requests that the Examiner also consider the arguments presented with respect to the prior rejection of claim 1 addressed in the response to the Office Action dated January 13, 2006. As previously argued, Dillenbeck does not teach a wiper plug as understood by one of skill in the art. Rather, the wiper plug taught by Dillenbeck is a plunger positioned inside a pipe segment down in the well. (See Dillenbeck Fig. 6, item 16). Furthermore, Dillenbeck teaches that the device molded into the wiper rubber is an RFID (radio frequency identification device). Thus, as noted in the prior response, in Dillenbeck, it is the item being sensed (i.e., the RFID), not the detection device as claimed in claim 20, which is imbedded in the wiper rubber.

Thus, because Applicant has shown that the combination of references fails to teach or suggest all of the elements of claim 20, and because claim 20 depends from claim 16, previously shown to be allowable, reconsideration and withdrawal of the rejection are respectfully requested.

d) Rejection of Dependent Claims 17, 19 and 21-24

With respect to dependent claims 17, 19 and 21-24, Applicant respectfully submits that the claims are allowable because the independent claim from which they depend is patentable over the cited art. Applicant has not specifically addressed each rejection of the dependent claims because Applicant submits the independent claim from which they depend (claim 16) has been shown to be allowable over the cited art of record. Applicant has not acquiesced to any rejection of a dependent claim and reserves the right to address any rejection in the future. Thus, Applicant respectfully requests the Examiner withdraw the rejection of claims 17, 19 and 21-24.

CONCLUSION

The foregoing is submitted as a full and complete response to the Official Action mailed on June 30, 2006. The Applicant has amended the claims and has submitted remarks to traverse the rejections of pending Claims 1-8, 10-17, and 19-24. Applicant has shown above that Claims 1-8, 10-17, and 19-24 are allowable over the art cited by the Examiner and respectfully requests that the Examiner withdraw all pending rejections and objections to Claims 1-8, 10-17, and 19-24.

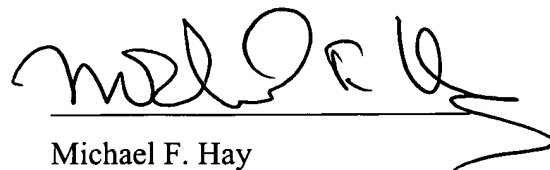
In the event any matters remain to be resolved in view of this communication, or that there are any informalities that can be corrected by an Examiner's amendment, the Examiner is encouraged to contact the undersigned at (713) 276-7400 so that a prompt disposition of this application can be achieved.

Applicant believes no fees are due in association with this response. However, should the Commissioner deem any fees as being due, the Commissioner is hereby authorized to charge any fees due, or to credit any overpayments, to the United States Patent Office Deposit Account No. 50-3786, attorney docket no. 08876.105017. If any extensions of time are needed for timely acceptance of papers submitted herewith, Applicant hereby petitions for such extension under 37 C.F.R. §1.136 and authorizes payment of any such extension fees to Deposit Account No. 50-3786, attorney docket no. 08876.105017.

Respectfully submitted,

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